


Avaya Voluntary UK Pay Gap Report 2020

AVAYA

Experiences That Matter





It's 2020 and Avaya is becoming more diverse and high achieving as a team. Females are a greater percentage of our high achieving Avaya UK employees. The percentage of Female supervisors is steadily increasing while half of our promotions are females for the second year in a row. More than that, Avaya is building a culture that rolls up its sleeves and is figuring it out together - for each other, so we can all be our best.



I am personally invested and involved in empowering each and every one of our staff to be successful. In this time of unprecedented challenge, our female colleagues delivered unprecedented results critical to our outcomes. This report, and the conversation it generates, provides an essential opportunity to both celebrate those champions and to continue listening and learning to take necessary steps to close any gaps.

The launch of our new mentoring program, starting with members of our newly launched Women's Initiative @ Avaya (WIN@A), is one of many programs to provide specialized development opportunities for women building on prior year success. We reap the benefits of this, every single day.

Steve Joyner, Managing Director, Avaya UK

Avaya: A Workforce as Diverse as Our World

Diversity, equity and equal opportunity are central to our culture and to our success as a business. Ongoing and continuous action, including mitigating unconscious biases through open dialogue, is supporting inclusive employee communities and celebrating diversity. Our vision is to create experiences that matter – especially for our employees. Fostering diversity is one of the key pillars to achieving that vision.

Why are we publishing this information today?

These mandatory¹ reports were suspended in early 2020 as the global pandemic spread across the nation. Today, we choose to voluntarily share our data and more about the opportunities for females at Avaya UK. We, also, champion our dedicated front-line workers who keep us safe using innovative technology to connect us in meaningful and safe ways. We recognize the value in organizational transparency and continuous evaluation to assure the removal of bias and artificial barriers to fair employment.

We know gaps exist, so, we relentlessly scrutinize our data and our processes. In particular, our internal teams continue to find creative ways to connect and collaborate with women in this new world of social distancing. We remain committed to continuing our efforts toward equal employment opportunity. This report includes analyses designed to assist in the ongoing identification of national gender gaps in pay.

¹ Since 2018, Avaya UK and all UK employers with more than 250 employees have been mandated to publicly share information reflecting internal pay gap analyses. Pay gaps are identified by using mandatory calculation methodologies determined by the Government Equalities Office comparing critical pay elements (hourly pay, bonuses, and distribution of pay across quartiles) by gender as a percentage.

What were our top 5 lessons from the 2020 review?

1. Results change significantly when sales and non-sales roles are reviewed separately. Positions with the greatest potential earnings risk and reward (sales or variable compensated roles) drive the calculation trends and can skew interpretation. Those roles have a combined earnings potential with a % salary (guaranteed) and a % compensated on the basis of earned sales commission. The majority of our Avaya UK sales and technology professionals are male.
2. Seniority and experience in the field have an impact on the results. 65% of females joined Avaya UK within the last 15 years, and more than 70% of Avaya UK females are in salaried (non-sales) positions. This gives us valuable context around both our commitment to increase the targeted recruitment of qualified females in the Technology field and the impact of seniority on Avaya UK compensation.
3. Avaya UK females are consistent high performers². Looking at five years of performance and gender data, we found that 42% of females received Avaya's highest rating in 2019 (the highest level in four years). This was both an increase in the number of high-performing females and in the percentage overall.
4. Female supervisors are increasingly driving success through their teams. The number of females in supervisory roles in 2019 was both a year over year increase and its highest level in five years.
5. 33% of the Avaya UK female employees have female leaders above them, demonstrating the opportunities for advancement and support. We are **All In**.

² At Avaya, we regularly measure and reward our high performers. Employees receive regular performance feedback and an annual performance rating in one of three possible categories.



Balance at the Top Driving Change

Avaya UK employees are a vital part of our Avaya global community, led in part by our Chief Administrator Officer and General Counsel, Shefali Shah, and Avaya's Global Head of Human Resources, Faye Tylee. In line with our priorities, compensation ranges for all defined positions are regularly benchmarked to external data or "market" sources, creating skill and qualification-based compensation with opportunities for increases based on sustained high performance. While we know that globally Avaya's representation of females in the workforce and in leadership roles is on par with (or in some cases better than) our peers in the industry, we strive to continue to evaluate our practices and engage in meaningful action to address identified gaps.

Globally, our commitment is to identify and remove barriers so we can close any gaps. Avaya is a diverse and inclusive business operating with a global equal opportunity policy, which can be found at the following link: (<https://www.avaya.com/en/documents/fy19-avaya-eo-global-non-discrimination-policy.pdf>)

The strength of that policy is underscored by the Avaya UK programs and policies that promote equal opportunity and equal treatment including, but not limited to:

- Flexible work arrangements
- Remote and work-from-home policies
- Employee assistance and work-life balance programs
- Regular monitoring of performance expectations, feedback, compensation and staffing
- Global Reasonable Accommodation/Work Adjustment program including lactation and religious accommodations
- Multiple family leave of absence options and payment packages
- Rotational and job-exchange programs to increase training and opportunities for high-potential employees and new hires
- Dedicated, independent Equal Opportunity and Ethics and Compliance departments with confidential and anonymous issue reporting available to employees globally.



Avaya's actions and commitments amount to more than words on a page or a screen. Who we are as a community of Avaya staff is in our actions and in the impact we have on the industry. As people of action at every level of our business, this year we took important steps towards understanding the trends around and accelerating our progress in eradicating barriers and gaps. As in the past, we would like to highlight a few exciting Avaya Inc. and Avaya UK initiatives in support of our efforts this year:

- **Checking our Blind Spots** – We recognize that our unconscious biases shape how we feel about people and situations, often without our awareness. Avaya proudly sponsored a visit by the [CEO Action Blind spots tour](#) at our HQ campus and continues to provide web-based training to help all global employees identify unconscious bias and to act on diversity.
- **All In representation** – We continue to increase the representation of women in our internal and external communication and images as a conscious reflection of who we are. From our keynote speakers at events, to promoting the critical contributions of our female patent holders, we seek opportunities to assure equality in our actions and our brand. Whether we are following [Avaya's global celebrations for International Women's Day](#) or authoring content on our latest product innovation, our words and images reflect our culture of equality.
- **Connecting Women in Tech** – Avaya UK hosted a premier event for female and ally industry peers with open dialogue on the issues critical to our teams including compensation, negotiation and effective communication. During Avaya ENGAGE 2020, Avaya's flagship customer and partner event, Faye Tylee and other Avaya Executives joined forces with key International Avaya User Group (IAUG) stakeholders to deliver a hugely oversubscribed panel discussion on 'Connecting Women in Technology'. Our subsequent Women's luncheon with the IAUG resulted in the creation of the 'Empowering Women in Technology' online discussion forum to allow members to continue the dialogue as well as provide regular content focused on balance, wellness, and networking – to name just a few key topics.
- **Global Diversity & Inclusion Council** – We are establishing a Global D&I Council, led by senior global leaders from across the business as well as representatives from D&I groups. The Council will also report to the Executive team and the Board as appropriate and provide regular updates to the business through various communications channels.



- **Employee Resource Groups** - In conjunction with our D&I efforts, we launched a global framework to support the further development of Employee Resource Groups across the organization. These company-sponsored, voluntary associations bring together employees who share common interests and who are seeking camaraderie, development and growth both professionally and personally. This year we proudly launched our very first globally sponsored Employee Resource Group, focused on recognizing and connecting women in the workplace. Named WIN@A – Women Inspired Network at Avaya – this group united teams from our India, UK, Ireland, Argentina, Mexico and Brazil locations with global employees dedicated to the empowerment of women and the advancement of women-led business initiatives.

Avaya UK joined the global Avaya community in commemorating International Women's Day, extending the campaign to include a month-long celebration. This included guest speakers on the importance of networking and building your own brand in Ireland, the recognition of outstanding performances in the UK, traditional dancing and the giving of plants across India, and women-inspired events across the CALA region – among other initiatives. The month saw Avaya staff unite in recognising and celebrating the inspirational women in the workplace and in their lives.

- **Giving and supporting our local communities** – Avaya staff continue to find big and small ways to give back and this year was no different. We are delighted to continue our work with Save the Children and help to empower young girls—tomorrow's leaders—with opportunities to learn, grow and achieve long-lasting independence. As Malala Yousafzai once stated, “There are two powers in the world; one is the sword and the other is the pen. There is a third power stronger than both, that of women.”



As a global organization made up of different ethnicities, generations and skill sets, each of us has something special to offer. Every employee experience matters and we encourage our teams to get involved and share their full self to make Avaya an even stronger organization.

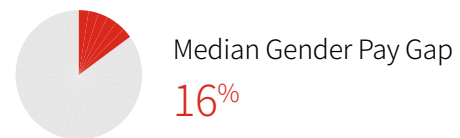
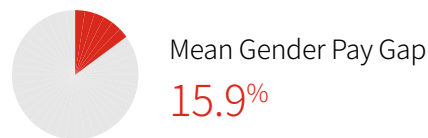
Faye Tylee, Chief Human Resources Officer, Avaya



Avaya's 2020 UK Pay Gap calculations

Avaya UK provides the following data calculated in accordance with UK Gender Pay Gap reporting requirements:

Gender pay gap in hourly pay³:



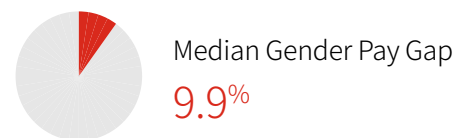
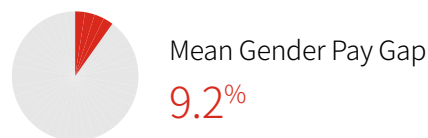
These figures show the mean (average) and median (mid-point) bonus gap as required. These identified gaps continue to be monitored by Avaya and show marginal improvement over 2019 reports.

Contributing factors include:

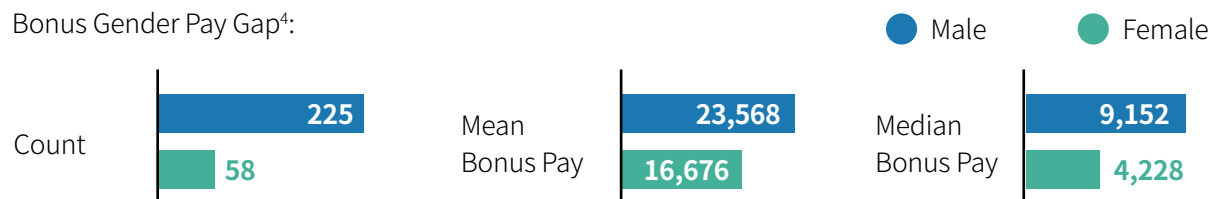
- The majority of male employees have worked for Avaya for more than 15 years, while 65% of females have fewer than 15 years' service.
- As is the case for our peers in the industry, the majority of sales and technology roles are filled by males.

The coupling of both sales (variable) and non-sales (salaried) compensated roles contributed to the reported gap and is further impacted by the number of males in senior leadership roles. Simply put, the calculation does not compare "like" to "like" roles, creating a skewed view.

If we isolate non-sales (salaried) roles, which include the majority of females at Avaya UK, we see a more accurate and significantly smaller gender pay gap:



Bonus Gender Pay Gap⁴:



³As required, this data reflects 12 months of compensation and analyses were conducted in accordance with the compulsory guidelines.

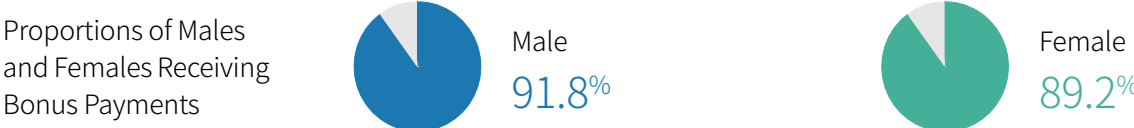
⁴Rounded

Here again, the definition of “bonus” under the regulation combines both sales (variable) and non-sales (salaried) compensated roles despite the fact that eligibility for a sales commission differs significantly from performance-based incentive pay offered to non-sales (salaried) roles. The opportunity for a “bonus” for a sales employee has dependencies including the market and customer purchases while salaried roles have access to potential incentive based on the overall corporate performance and individual personal performance.

When we analyze non-sales (salaried) roles alone, we see a significantly different gap as defined by the report parameters:

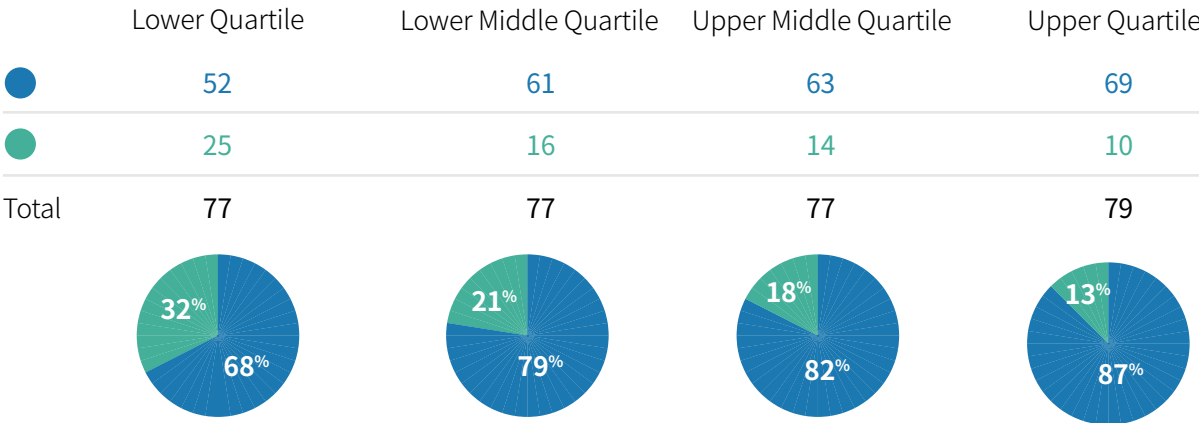


Proportion of men and women who receive a bonus:



More than 89% of our employees received some form of bonus in the reporting period. This is absolutely in line with our commitment to our pay for performance philosophy. The percentage of females in commission-based roles has a dramatic impact on these measurements. The results are further impacted by the inclusion of inactive employees who may not be eligible for bonus payments and the percentage of males in senior or executive roles with additional bonus eligibility associated with their roles.

Distribution of men and women across pay quartiles:



This table shows the distribution of males and females across the Avaya pay bands or levels. It should be noted that the majority of roles are management level. As stated earlier, there is a higher percentage of males in the organization and a higher percentage of longer-term employees are male.

Review of our overall staffing changes during the reporting period revealed positive changes, including the fact that 51% of Avaya UK's current female employees were hired within the last five years, clearly highlighting the impact of Avaya's commitment to move the needle in recent years.

We confirm that our data has been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations of 2017. Questions about the content of this report can be referred to HR at the following email: [oconnell@avaya.com](mailto:connell@avaya.com).

We thank you for spending time with us and invite you to learn more about the amazing work being done at Avaya as highlighted in the links below:

[Happy Valentine's Day from Avaya](#)

[Promoting Diversity and Inclusion at Avaya](#)

[Avaya Women in Leadership](#)

[Women of Avaya Patent Holders](#)

https://www.avaya.com/2020/01/susy_liem_first_30_days_at_avaya/

[Avaya Natalie Keightley on the Multiexperience](#)

[Enabling teams to work remotely in uncertain times](#)

Ena Hunter

Ena Hunter

Legal Director, Avaya UK, Ireland, Nordics and Israel
August, 2020



Steve Joyner: Our UK Q3'20 was the best revenue quarter for 4 years and the people below are just a few of the women who brought their varied job functions and ALL had direct contribution to that number:



Alison J Hastings



Ella Jenkinson



Ena Hunter



Indira Stacey



Jennifer Henderson



Jo Devonald



Liza Fiddes



Nikki Cullingford



Sarah Tucker



Tina Cartwright

